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CENTRAL INTELLIGENCE AGENCY OFFICE OF CURRENT INTELLIGENCE 29 October 1956

TO : Deputy Director (Intelligence)

SUBJECT: The Situation in Hungary as of 1400 hours,

29 October

Indications are increasing that the Nagy regime in Budapest has identified itself almost entirely with the insurgent forces, and that the Soviet forces in Hungary have largely disengaged themselves from the fighting in order to await further orders from Moscow.

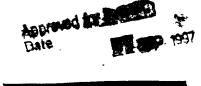
1. Radio Free Gyoer, insurgent controlled, announced at 1015 Gyoer time, that "the withdrawal of Soviet troops has now begun." According to information received by Radio Free Gyoer during the night from insurgent-held Nyiregyhaza (northeastern Hungary) "several Soviet units left Hungarian territory crossing the Soviet-Hungarian border."

a. There has been no confirmation of either a Soviet troop withdrawal from Hungary or of the movement of large-scale Soviet reinforcements into the country.

it is known that activity of Soviet forces in the Nyiregyhaza area (which had entered Hungary from the USSR on 27 October) had decreased.

b. Radio Miskolc announced yesterday that the Workers Council in Nyiregyhaza had been in negotiation with Soviet commanders in the area and had persuaded the Soviets not to enter the city.

Soviet forces in Western Hungary are not combatting the insurgents and have informed them that they do not wish to fire on insurgent forces. The Soviet units apparently have "dug in" or have remained in garrison,





awaiting further orders. At 1750 (Miscolc time) Miskolc radio broadcast the news that it had learned from three sources that Soviet troops have adopted a policy of "non-intervention."

d. Moscow, by quoting much of Nagy's speech yesterday in this morning's Pravda,

has begun a switch in its line on Hungary and is apparently decreasing emphasis on "Fascist counter-revolutionaries." (Moscow, however, omitted Nagy's call for a withdrawal of Soviet forces.)

- 2. The future status of Soviet troops in Hungary, however, remains unclear.
 - a. According to an Associated Press report from Moscow, Soviet Foreign Minister Shepilov said at a reception at the Turkish Embassy on the evening of the 29th that Soviet troops will be withdrawn from Budapest only when the rebels lay down their arms. He declined to say if Soviet troops would be withdrawn and Soviet Defense Minister Zhukov said the question can be decided only by common agreement with the Warsaw pact members.
 - b. Various press reports also state that Budapest radio has announced that some Soviet troops will remain in Budapest until 24 hours after the last rebel has surrendered his arms.
- 3. The Hungarian Party daily in Budapest, Szabad Nep, still under control of the Nagy regime, declared this morning (Budapest time) that "Hungary should be truly Hungarian, that our emblem should be a national one...that Soviet troops should be withdrawn from Soviet territory...that instead of nice words and promises the government should secure a better life." The editorial claimed that the withdrawal of Soviet forces in Budapest to their bases is in preparation for their complete withdrawal from the country and cited the government promise to disband the state security organization and creation of a "unified and democratic police force." Thus, it states, the two major reasons

for the "justified bitterness" of the "patriots, Communist and non-Party Hungarians (i.e. the insurgents)"--has been eliminated. Szabad Nep then repeated appeals for order and asserted that vigilance should be maintained against looters and counter-revolutionaries who voice Fascist demands.

- 4. Radio Budapest at 1100 hours on the 29th carried a decree of the Ministers of Defense and of Interior, announcing changes within military and police organizations under the new national government, hailed a new era in Hungary and proclaimed: "Glory to the heroes who have fallen in battle! Forward with the people for an independent, democratic and socialist Hungary."
 - a. The decree called for a new badge to be worn on uniform caps and until distribution of the new badge, a ribbon of the national tricolor shall be worn.
 - b. The national government's formations are to consist of the "army, police, workers and youth militia." (Nagy stated on the 28th that "new armed forces will be formed from units of the army, of the police and of the armed groups of workers and youth.")
 - c. The term "comrade" is to be replaced by the phrase "comrade-in-arms."
- 5. The Polish Central Committee on 29 October broadcast its sympathy with the national aims of the Hungarian government, including their demand for withdrawal of all Soviet troops from Hungary. In contrast to the Polish statement, the other Satellites continue to echo Moscow's initial line of "Fascist mutiny."
- 6. Bulgarian border guard units were alerted late in the evening on 24 October. Rumanian internal guard units and an unidentified unit appear to have been on an alert status since 26 October.

battalion of the interior guard, used in 1953 to quell disorders in Slovakia, is currently moving from its station in Bratislava.

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